

**SHERMAN ECONOMIC DEVELOPMENT CORPORATION
MINUTES OF THE BOARD OF DIRECTORS
ON MAY 26, 2026
AT 11:30 A.M.**

A meeting of the Sherman Economic Development Corporation Board of Directors was convened in the SEDCO Board Room, 307 W. Washington St, Ste 102, Sherman, Texas on May 26, 2026, at 11:30 a.m.

MEMBERS PRESENT: Ms. Gail Utter (Chair), Mr. Jason Brumm (Vice Chair), Mr. Willie Steele (Secretary), Mr. Scott Bandemir, Dr. Al Hambrick, Mrs. Robin Phillips

MEMBERS ABSENT: Mr. Rob Wilson

EX OFFICIO City Manager Dr. Zachary Flores, SISD Superintendent Dr. Thomas O'Neil, Assistant City Manager Terrence Steele

STAFF PRESENT: Mr. Kent Sharp, Mrs. Ashton Bellows, Mrs. Shannon Blake, Ms. Camila Bocanegra

STAFF ABSENT: None

GUESTS PRESENT: Mr. Michael Hutchins, Mrs. Mary Lawrence

CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN, RECOGNITION OF GUESTS, INVOCATION

Ms. Utter called the meeting to order at 11:31 a.m., declared a quorum present, meeting declared open.

The invocation was given by Mr. Sharp.

PUBLIC COMMENTS

There were no public comments.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING MINUTES

Motion was made by Mr. Bandemir and seconded by Mr. Steele to approve the Regular Scheduled Meeting Minutes of April 21, 2026. Motion was approved unanimously.

DISCUSS AND CONSIDER APPROVAL OF THE FOLLOWING FINANCIAL REPORTS

Mr. Sharp presented the Balance Sheet, Budget Report, Anomalies, Commitments, and ICS Sweep Reports through March 31, 2026, and reported the following:

- Cash – SEDCO Checking: \$3,814,642.73
- Accounts Payable: \$23,669.88
- Fund Balance: \$26,808,611.45
- Revenues Over/Under Expenses: (\$2,425,956.55)
- Total Liabilities, Equity and Current Surplus (Deficit): \$24,597,483.87

- Revenue Total (Period Activity): \$467,928.64
- Expense Total (Period Activity): \$1,894,299.67 (30.62%)

On the Anomalies Report, Tools & supplies was at 113.46% due an air fryer for office, office chair cover and wrist support, Other Supplies was at 146.78% due to Wayfinders for SEDCO office, and Other Services & Charges was at 68.81% due to an accumulation of non-budgeted items, including easement filing fees, increased Adobe subscription costs, and additional technology service expenses.

On the Commitments Report, Mr. Sharp noted the total outstanding incentives for FY 25-26 are \$8,700,700. Mr. Sharp reported the total incentives and other commitments, including the infrastructure projects for FY 25-26 are \$11,132,042.

Motion was made by Dr. Hambrick and seconded by Mrs. Phillips to approve the financial reports for the month ending March 31, 2026. Motion was approved unanimously.

INVESTMENT REPORT FOR QUARTER ENDING MARCH 31, 2026

Mrs. Lawrence presented the investment report for the quarter ending March 31, 2026, the portfolio book value and market value were approximately \$20.6 million. Of this amount, \$13.0 million was held in a Local Government Investment Pool (LGIP) and \$7.6 million was held in Certificates of Deposit (CD). Activity during the quarter included interest earned on the investments as well as maturities of Certificates of Deposits of \$1.5 million and purchases of Certificates of Deposits of \$1.5 million. Ms. Utter asked for clarification about the weighted average yield and the weighted average maturity. Mrs. Lawrence confirmed the weighted average yield on the portfolio was 3.73%, 3 basis points above the three-month Constant Maturity Treasury Index of 3.70%, and 26 basis point below the previous quarter. The weighted average maturity of the portfolio increased from 140 days at December 31, 2025, to 140 days at March 31, 2026. Ms. Utter also asked what the WAM and WAY were for TexPool Mrs. Lawrence stated that TexPool's weighted average maturity is one day and the current yield is 3.69%.

Motion was made by Mr. Brumm and seconded by Mr. Steele to approve the investment report for the quarter ending March 31, 2026. Motion was approved unanimously.

INITIAL BUDGET REVIEW

Mr. Sharp presented the first draft of the proposed budget for FY 2026-2027.

SALES TAX AND ECONOMIC BAROMETER REPORTS

Mr. Sharp provided this in the initial budget review discussion.

Mrs. Bellows presented the March 2026 Economic Barometer Report and reported the following:

- New residential permits were down approx. 15% compared to April 2025 but up 17% YTD. Commercial and industrial permits were up 350% compared to April 2025 and up 129% YTD. The most notable permits were for the construction of Bubba's 33 valued at \$2.3 million and the construction of Longhorn Steak House valued at \$2 million.
- The city was up 507 utility customers compared to YTD 2025 and up 53 customers between March and April.
- Sales tax was down 1.49% compared to April 2025 and down about 18% YTD.
- Grayson County's months supply of housing inventory as of March was 6.8 months, up from 6.6

months in February.

- Sherman's unemployment rate as of March was 3.7%.

EXECUTIVE SESSION

The Sherman Economic Development Corporation held an Executive Session pursuant to the provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Code Annotated, in accordance with the authority contained in the following sections:

- a. 551.071 (Consultation with Attorney)
- b. 551.072 (Deliberations about Real Property)
 1. Disposition and Acquisition
 2. Infrastructure in Progress Park
- c. 551.074 (Personnel Matters)
- d. 551.087 (Business Prospect/Economic Development)
 1. Wrap, EZ, Zion, Turtle, Mammoth, Boston, Baby Boston, Stop Sign, Tower, NTRA, Aerotex, Grid Shield, Lion King, Apex Graphite, Blue Carbon, Open Aperture

The open meeting recessed in executive session at 11:44 a.m.

INCOMING SEDCO EVENTS

Mrs. Blake shared information on the upcoming Partners In Progress event taking place on Friday, May 29 from 8:30 am – 12 pm in the Sherman High School.

Mrs. Blake shared information on the upcoming Girls In Gear Summer Camp, running from June 2nd to June 4th, at both Sherman and Denison High Schools and Industries.

Mrs. Blake shared information on the upcoming Shadowcat-Sherman Industry Classic from June 8th to June 10th in the Veteran's Field.

Ms. Utter referenced the previously approved SEDCO grant to Austin College in support of its new engineering department. She also noted that Austin College will have a new president beginning this summer and shared that the college is considering placing a plaque dedication for former SEDCO Board Chair Janie Bates on the new science building.

CONSIDER APPROVAL OF RESOLUTION NO. SEDCO-2026.03

Motion was made by Mr. Steele and seconded by Mr. Bandemir to table the discussion and approval of the Resolution No. SEDCO-2026.03.

RECONVENE OPEN MEETING AND CONSIDER APPROVAL OF THE ITEMS DISCUSSED IN EXECUTIVE SESSION

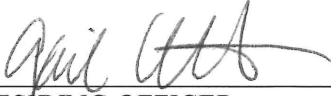
Ms. Utter reconvened the open meeting at 12:06 p.m.

ADJOURNMENT

The meeting was adjourned at 12:18 p.m.

CERTIFICATION OF PRESIDING OFFICER

I, Gail Utter, Presiding Officer, do certify that these minutes of the Regular Scheduled Board Meeting of the Sherman Economic Development Corporation of the City of Sherman, Texas are a true and correct record of the proceedings with Chapter 551, Govt. Code, V.T.C.S, Open Meetings Law.



PRESIDING OFFICER